



The Corporation of the Town of Tecumseh

Public Works & Environmental Services

To: Mayor and Members of Council
From: Phil Bartnik, Director Public Works & Environmental Services
Date to Council: February 11, 2020
Report Number: PWES-2020-09
Subject: 2020 Supply of Various Vehicles

Recommendations

It is recommended:

That Administration obtain quotations for the 2020 Supply of Various Vehicles as follows:

1. Public Works Vehicle	Estimated Price
PW 07-11-3500 Dump Body	\$65,000
PW 04-10 Single Axle Plow Truck	\$275,000
2. Water Vehicle	Estimated Price
W 04-12 2500 Service Truck	\$60,000
WE 10-04 Trailer- previously approved	\$2,600
3. Parks Vehicle	Estimated Price
P 12-09 Kubota B3030 Tractor	\$35,000
P31-16 Jacobson R311T Mower	\$80,000
P 22-14 Landscape Trailer	\$6,000
P 23-12 Landscape Trailer	\$7,500
P (32-34)-17 Kubota ZD1211 Mower (3)	\$54,000

	P 35-17 Kubota ZD 1211 Mower	\$19,000
	P 41-05 Aerator	\$10,000
4.	Building Vehicle	Estimated Price
	B 02-10 1500 Pickup Truck	\$30,000
5.	Recreation Vehicle	Estimated Price
	AE 04-98 Zamboni- previously approved	\$110,000
	M 03-20 1500 Pickup Truck- addition to fleet	\$30,000

And that the following equipment be declared surplus and disposed of through Part VI, Disposal of Surplus or Scrap Materials and Equipment of the Town's Purchasing By-law:

1.	Public Works Vehicle	Unit Number	Year Purchased
	PW 07-11 3500 Dump Body	PW 07-11	2011
	PW 04-10 Single Axle Plow	PW 04-10	2009
2.	Water Vehicle	Unit Number	Year Purchased
	W 04-12 2500 Service Truck	W 04-12	2012
	WE 10-04 Trailer	WE 10-04	2004
3.	Parks Vehicle	Unit Number	Year Purchased
	P 12-09 Kubota B3030 Tractor	P 12-09	2009
	P31-16 Jacobson R311T Mower	P31-16	2016
	P 22-14 Landscape Trailer	P 22-14	2014
	P 23-12 Landscape Trailer	P 23-12	2012
	P (32-34)-17 Kubota ZD1211 Mower (3)	P (32-34)-17	2017
	P 35-17 Kubota ZD 1211 Mower	P35-17	2017
	P 41-05 Aerator	P41-05	2004
4.	Recreation Vehicle	Unit Number	Year Purchased
	AE 04-98 Zamboni	AE 04-98	1998

5. Building Vehicle	Unit Number	Year Purchased
B 02-10	B 02-10	2010

And further that Appendix ‘A’ Town of Tecumseh 2020 – 2029 Ten Year Fleet Funding and Replacement Schedules and Appendix ‘B’ Town of Tecumseh 2020 – 2029 Ten Year Fire and Rescue Services Apparatus Funding and Replacement Schedules attached to Report PWES-2020-09, be adopted as amended and attached.

And furthermore that the purchase of the 2020 Supply of Various Vehicles of \$784,100 plus associated costs for outfitting of \$13,500, for a total of \$797,600, be funded from the Fleet Lifecycle Reserve.

Executive Summary

The Town has implemented a Fleet Replacement Schedule (Schedule) to efficiently manage the Town’s fleet in a cost effective manner. This Schedule is used as a guide for purchasing new vehicles and equipment in the designated years. Prior to replacing the vehicles, inspections are conducted to confirm the timing of the replacement and a re-evaluation of the type of vehicle for replacement is considered to ensure the new replacement vehicle best serves the needs of the particular department.

In accordance with the Schedule, and in consultation with Administration, sixteen vehicles and/or pieces of equipment are recommended for purchase in 2020, including the following:

1. One pick-up truck and one plow truck for Public Works;
2. One service truck and trailer for the Water Division;
3. Two trailers, five mowers, a tractor and aerator for the Parks Division; and
4. One Zamboni and one new pickup truck for the Recreation Division;
5. One pick-up truck for Building Department.

Following Council’s approval to purchase the recommended vehicles and equipment, in the amount of \$784,600, a Request for Formal Quotes for Supply of Various Vehicles (RFQ) will be prepared and advertised in accordance with the Town’s Purchasing Policy.

Subsequent to the purchase and receipt of the new vehicles and equipment, the replaced vehicles and equipment will be declared surplus and sold at Auction, in accordance with the Town’s Purchasing Policy.

Background

Council, at their regular meeting held February 12, 2019, adopted as amended the 2019-2028 Ten Year Fleet Replacement Schedule as attached to Report PWES-2019-07 (Motion: RCM-34/19).

An annual report is presented to Council outlining the recommended vehicles and equipment identified for replacement.

According to the Fleet Replacement Schedule and in consultation with associated Departments in 2020, sixteen vehicles and/or pieces of equipment are recommended for replacement.

Comments

According to the Fleet Replacement Schedule and in consultation with Public Works, Water, Parks and Recreation, Planning & Building, and Fire & Rescue, the following is provided for Council's consideration for 2020 replacements/additions:

Public Works

1. PW 07-11: 3500 Dump Body – \$65,000

This vehicle has over 50,000 kilometers on it. It has been used for all Public Works functions (i.e. road patrol to service calls) but specifically as a mid sized dump truck. It is used for all cold patching operations and towing of equipment and has reached its useful life. Administration recommends continuing with the replacement schedule of eight years due to the conditions of use and the current practice of replacement prior to incurring considerable expenses for repairs.

2. PW 04-10 Single Axle Plow – \$275,000

This vehicle has over 36,000 kilometers. It has been used for all Public Works winter control operations and has reached its useful life. These trucks are used in harsh conditions under heavy loads, which takes a toll on the lifespan of the vehicle, regardless of the mileage used. Constant low speed operations wear on the drivetrain of these large vehicles. Administration recommends continuing with the replacement schedule due to the conditions of use and the current practice of replacement prior to incurring considerable expenses for repairs.

Water

1. W 04-12: Small Service Truck – \$60,000

Administration, in consultation with the Water Department, has reviewed the fleet complement in 2019 and recommended that this vehicle be replaced in 2020. There are 132,483 kilometers on this vehicle. The truck is the primary meter service truck in the Water Department. In recent years, it has had recurring ignition problems that have been costly to repair. This vehicle was the first year the Town utilized a reduced size aluminum service body and it is starting to lose its paint in some areas. The unit has reached the end of its useful service life. Administration recommends continuing with the current replacement schedule of eight years due to conditions of use and the current practice of replacing vehicles prior to incurring excessive repairs.

2. WE 10-04: Utility Trailer – Previously Approved

This trailer is used to transport the department trench box and other large equipment required with a watermain break. This trailer has been deferred for the last few years due to its acceptable condition. It has now reached the end of its useful life and a replacement trailer is now recommended. This was deferred from 2019 and will be purchased in 2020.

Parks

1. P (32-34)-17 ZD1211; (3) Kubota Mower 60 inch – \$18,000 each

P 35-17: ZD1211 Kubota Mower 72 inch – \$19,000

The Parks department has a fleet of 6 zero-turn mowers that are the work horses of the day-to-day maintenance operations. Four of the mowers were purchased in 2017 and have an average 850 hours each, all under the ideal trade-in limit of 1000 hours. They have been very dependable machines with no major repairs required, but they are now out of warranty and expensive repairs are likely to be required in future years. By replacing them now, we will receive excellent trade-in values, while getting new machines that will be covered under full two-year warranties.

2. P 12-09 3030 Kubota Tractor – \$35,000

This tractor is used primarily at St. Mary's Park allowing the St. Mary's volunteers the ability to groom the three baseball diamonds, as well as cut grass as needed. During the winter months, it is stationed at the arena and is utilized for winter control and moving the ice shavings. It is well past its ideal life expectancy, having been in use for 11 seasons. It does not accumulate a large number of hours each season, allowing for a longer useful life, but it should be replaced with a reliable machine that will be covered under warranty.

3. P 31-16 Jacobson R311T Mower – \$80,000

This is one of two large mowers within the Parks fleet that undertakes the mowing of the larger parks and sports fields. This mower was purchased in 2013 and has 1387 operating hours, exceeding the ideal trade-in limit of 1,000 hours. This mower has been well maintained and has had relatively few major repairs, but is now out of warranty coverage and will be very costly to repair as it ages beyond 4 seasons of rigorous operation. It was slated for replacement last year, but the quotes received exceeded the budgeted amount. By replacing this mower on a 3 to 4 year schedule, we are receiving very good trade-in value with excellent performance from machines that are critical to the daily maintenance of the sports fields and parklands.

4. P 22-14 Landscape Trailer 20 foot – \$6,000

The parks department deploys three machine crews to carry out the day-to-day maintenance of all of the parks in the Town. Each crew is highly dependant on reliable trailers to float the mowers used for turf maintenance. This trailer has now reached a condition that warrants its replacement before extensive repairs are necessary to pass the annual safety inspections.

5. P 23-12 Landscape Trailer 20 foot – \$6,000

This trailer is a specialty item used primarily to transport the larger equipment in the fleet, such as the tractors and the skid-steer. It is not used as extensively as the landscape trailers, allowing for a longer useful life before replacement. It is now in a state that would require extensive repairs for the annual safety inspection and should be replaced.

6. P 41-05 Aerator – \$10,000

This implement is used behind a large tractor to aerate sports fields, essential for turf maintenance. It relies on tines penetrating the sports fields to remove plugs of dirt. This provides for improved aeration and moisture conditions. The tines have now reached a stage where they are not penetrating the soil as deeply as required, and the unit should be replaced.

Recreation

1. AE 04-98: Zamboni Ice Resurfacers - \$110,000

At the July 24, 2018 regular meeting of Council, Council approved Report No. PRS-2018-15 titled "Ice Resurfacers Pre-order and Purchase" that authorized Administration to pre-order then purchase replacement Ice Resurfacers (Motion: RCM-231/18). The machines will be delivered in the timeframe recommended within the Fleet Replacement schedule and paid for upon purchase.

2. M03-20: 1500 Regular Cab Truck - \$30,000

The Facilities and Maintenance Departments are requesting a new truck for their Manager and staff in 2020. With expanding responsibilities and duties of the department at remote locations of the municipality, this truck will assist the department in those duties and eliminate the use of a personal vehicle to travel to these locations when all other department trucks are in use. This truck can be smaller than the typical truck purchased for crew work and transportation. A smaller vehicle will assist the municipality reduce its GHG emissions produced, when compared to a larger truck that is typically purchased.

Building

1. B02-10: Pick-up Truck - \$30,000

This vehicle has over 140,000 kilometers on it. It is the primary Building Services vehicle and is used daily; it has reached its useful life. This truck has been repurposed from the Water Department a few years ago and is now at the point that significant repairs will be required. This vehicle is one of the most used vehicles in the Town fleet and the kilometers are evidence of that. To date it has served the Town well. Administration recommends continuing with the replacement schedule due to the conditions of use and the current practice of replacement prior to incurring considerable expenses for repairs.

The above noted vehicles and equipment are recommended for replacement in 2020.

Annual Fleet Replacement Costs

Appendix 'A' (attached) provides an updated summary of the annual fleet replacement costs scheduled for each department. The updated schedules reflect adjustments to the future costs based on current equipment values. Administration recommends that Council adopt the updated Appendix 'A' Town of Tecumseh 2020 – 2029 Ten Year Fleet Funding Replacement Schedules attached to Report PWES-2020-09.

Appendix 'B' (attached) provides the summary of the annual fire apparatus replacement costs scheduled for the Fire and Rescue Services department. The schedules reflect adjustments to the future costs based on current equipment values. Administration recommends that Council adopt the updated Appendix 'B' Town of Tecumseh 2020 – 2029 Ten Year Fire and Rescue Services Apparatus Funding and Replacement Schedules attached to Report PWES-2020-09.

Following Council's approval of the Report PWES-2020-09, Administration will prepare a "Request for Formal Quotes for Supply of Various Vehicles" (RFQ) with reference to the above noted vehicles to be replaced and in accordance with the Town's Purchasing Policy. The RFQ will be advertised on the Town's website. Each Manager will prepare a list of Suppliers and invitations to download the documents will be sent directly to each supplier.

Green Fleet Considerations

Administration is continuing to investigate the Electric Vehicle Chargers Ontario grant program (EVCO) to create a network of public electric vehicle fast-charging stations. The EVCO program is designed to cover the purchase and installation cost of public fast-charging stations along major transportation corridors and in urban centres across the province.

Surplus

Following Council's approval of the recommendations within this report, and upon receipt of the new equipment, Administration proposes that the replaced vehicles be declared surplus and sold at Auction.

1. Public Works:

Vehicle	Unit Number	Year Purchased
PW 07-11 3500 Dump Body	PW 07-11	2011
PW 04-10 Single Axle Plow	PW 04-10	2009

2. Water:

Vehicle	Unit Number	Year Purchased
W 04-12 2500 Service Truck	W 04-12	2012
WE 10-04 Trailer	WE 10-04	2004

3. Parks:

Vehicle	Unit Number	Year Purchased
P 12-09 Kubota B3030 Tractor	P 12-09	2009
P31-16 Jacobson R311T Mower	P 31-16	2016
P 22-14 Landscape Trailer	P 22-14	2014
P 23-12 Landscape Trailer	P 23-12	2012
P (32-34)-17 Kubota ZD1211 Mower (3)	P (32-34)-17	2017
P 35-17 Kubota ZD 1211 Mower	P35-17	2017
P 41-05 Aerator	P41-05	2004

4. Recreation:

Vehicle	Unit Number	Year Purchased
AE 04-98 Zamboni	AE 04-98	1998

5. Building

Vehicle	Unit Number	Year Purchased
B 02-10	B 02-10	2010

The vehicles/equipment can be disposed of through Part VI, Disposal of Surplus or Scrap Materials and Equipment, of the Town's Purchasing By-law that states:

- a) All departments shall notify the Treasurer when items become obsolete or surplus to their requirements to ascertain if the items can be of use by another department rather than disposed of.
- b) Items that are not claimed for use by another department may be offered for sealed bids, public auction or other public sale, depending in the opinion of the Treasurer on which method is most suitable for the equipment or material involved.
- c) A major auction shall be held annually or as required dependent upon individual circumstances such as delivery of replacement items and storage capacity.
- d) The revenue from the sale of obsolete material shall be credited to the appropriate account.

Surplus vehicles/equipment continue to be made available to Town employees through public auction as per Part VI of the Town's Purchasing By-law. Town staff will be notified of the date and location of the impending auction.

According to the Ten Year Fleet Replacement Schedules as referenced in Motion RCM-214/09, "As Fleet vehicles and Fire Apparatus are sold, net proceeds be allocated to the Fleet Lifecycle Reserve and Fire Apparatus Lifecycle Reserve respectively". The intent will be to follow the recommendation and place the net proceeds into the appropriate reserve.

Consultations

Financial Services
Fire & Rescue Services
Parks & Recreation Services
Planning & Building Services

Financial Implications

The replacement values used in Appendix 'A' are based on the original estimates provided by Covenco Ltd., in its report dated March 2007, adjusted forward for known changes based on recent purchases and quotes.

The replacement values used in Appendix 'B', Fire and Rescue Apparatus are based on the original estimates provided by Covenco Ltd., in its report dated March 2007, adjusted forward for known changes based on recent quotations.

In addition to the purchase cost of the vehicles there is an associated cost to “outfit” them for their intended use. The cost associated with outfitting each of the vehicles is approximately \$2,700 for a total cost of \$13,500.

The estimated cost net of recoverable taxes is \$784,100 plus \$13,500 associated outfitting costs, totalling \$797,600.

Administration recommends that funding for the purchase of the 2020 Supply of Various Vehicles plus associated costs for outfitting be funded from the Fleet Lifecycle Reserve in the approximate amount of \$797,600.

During the 2020 budget process, the annual allocation for Lifecycle Fleet was increased by \$8,000 to accommodate the additions to the Town fleet of a Recreation pick-up truck, referenced in Recommendations of this report, and the 2019 mid-year addition of a rescue boat for the Fire department, referenced in Council Report FS-2019-12. This increased the annual allocation from the general tax levy from \$416,000 to \$424,000.

During the development of this report, replacement costs of larger vehicles, such as the Single Axle Plow Truck identified in the Recommendations section of this report, were found to have increased significantly. As such, replacement costs in the accompanying schedules have been increased from \$230,000 to \$275,000. Similarly, replacement costs of Tandem Axle Plow Trucks have been increased from \$290,000 to \$310,000.

These increases incorporated in the accompanying schedules now project an irreversible reserve deficit by 2028. Inflationary increases to the annual Lifecycle Fleet allocation should be considered during the 2021 budget process. As well, an update to the Town’s Fleet Review Study (Covenco 2007) should be considered in the near future.

Under the current Schedule ‘A’, fleet replacement will be fully funded up to year-nine of this 10-year period. Considering the significant inflationary increases reflected in replacement costs of this report, further analysis should be undertaken to determine timing and amount of increases to the Lifecycle Fleet allocation to address the projected deficit.

Under the current Schedule ‘B’, fire and rescue apparatus replacement will be fully funded up to year-nine of this 10-year period as well. These vehicles have longer replacement schedules and are impacted by currency exchange fluctuations, which combined can potentially create a significant gap in actual replacement costs when the time comes to replace a vehicle. As such, Administration recommends that replacement costs for all units be updated every five years to ensure the annual budget allocation is sufficient. The last such update was performed in 2016 and those updated replacement costs are reflected in Schedule B.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
------------	------------------------------

- Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
- Ensure that Tecumseh’s current and future growth is built upon the principles of sustainability and strategic decision-making.
- Integrate the principles of health and wellness into all of Tecumseh’s plans and priorities.
- Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.
- Demonstrate the Town’s leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Kirby McArdle, P.Eng.
Manager Roads & Fleet

Reviewed by:

Paul Anthony, RRFA
Director Parks & Recreation Services

Reviewed by:

Brian Hillman, MA, MCIP, RPP
Director Planning & Building Services

Reviewed by:

Wade Bondy
Director Fire Services & Fire Chief, C.E.M.C.

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Phil Bartnik, P.Eng.
Director Public Works & Environmental Services

Recommended by:

Paul Anthony, RRFA
Director Parks & Recreation Services and Acting
Chief Administrative Officer

Attachment Number	Attachment Name
1	Appendix A Town of Tecumseh 2020-2029 Ten Year Funding and Replacement Schedules
2	Appendix B Town of Tecumseh 2020-2029 Ten Year Fire and Rescue Services Apparatus Funding Replacement Schedules